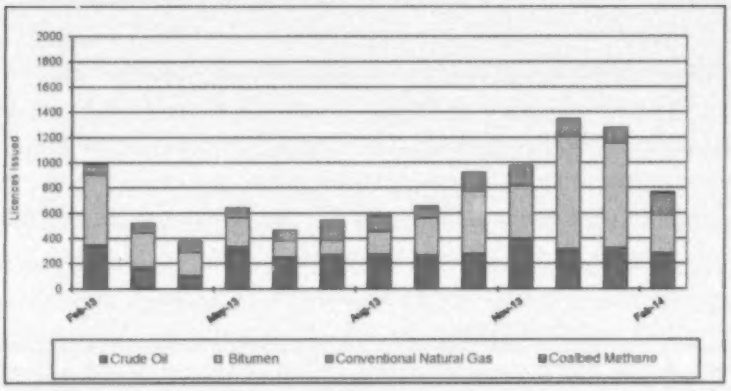
March 2015 Industry Activity Report

Monthly Well Licences



The Alberta Energy Regulator issued 321 well licenses in February, down 58% from the 767 issued in February 2014.

There were 48 licences issued for crude oil in February, down 83% from the 283 crude oil licences issued in February 2014.

92% of the crude oil licences issued in February were for horizontal wells, up 11% for this time last year.

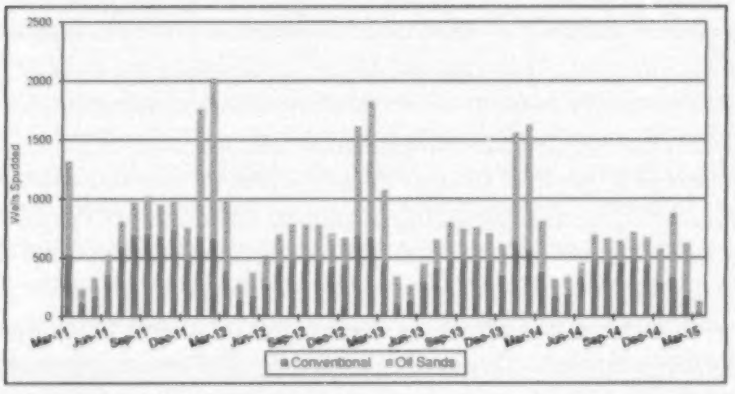
There were 70 natural gas well licenses (excluding CBM) issued in February, 60% lower than the 176 licences reported last February.

79% of natural gas well licenses issued in February were for horizontal wells, down 4% from the same period last year.

February			
Licenced Wells	Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	55	17%
	Vertical/Direct	15	
Coal Bed Methane	Horizontal	-	
	Vertical/Direct	-	
Crude Oil	Horizontal	44	15%
	Vertical/Direct	4	
Bitumen	Horizontal	36	68%
	Vertical/Direct	133	
	Evaluation	34	
Total		321	100%

Source: Alberta Energy Regulator

Alberta Wells Spudded (estimates)



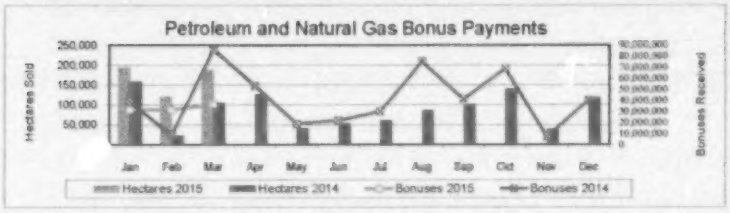
There were 131 spuds reported in March, down 84% from last March when there were 810 spuds reported.

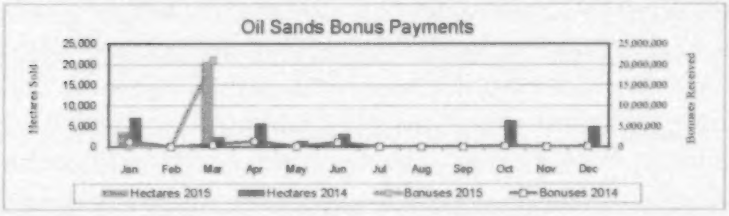
Over the first three months 1,635 spuds were reported compared to 4,003 in 2014.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Conventional	762	715	530	120	179	356	587	690	703	681	733	485	6,541
	Oil Sands	1050	1288	788	121	155	169	225	277	316	274	241	272	5,176
2012	Conventional	683	662	389	144	181	278	439	492	504	486	424	442	5,124
	Oil Sands	1080	1360	591	132	194	241	265	293	280	296	283	229	5,244
2013	Conventional	684	674	450	110	135	299	417	485	486	477	470	347	5,034
	Oil Sands	932	1152	629	229	135	153	237	316	261	287	236	269	4,836
2014	Conventional	625	566	376	171	188	333	485	461	454	490	448	283	4,880
	Oil Sands	936	1066	434	147	147	125	213	207	190	225	223	292	4,205
2015	Conventional	329	175	42										546
	Oil Sands	552	448	89										1,089

Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales





Alberta's land sale bonuses in March, totalled $57.7 million for 209,624 hectares, compared to $86 million for 107,359 hectares in March 2014.

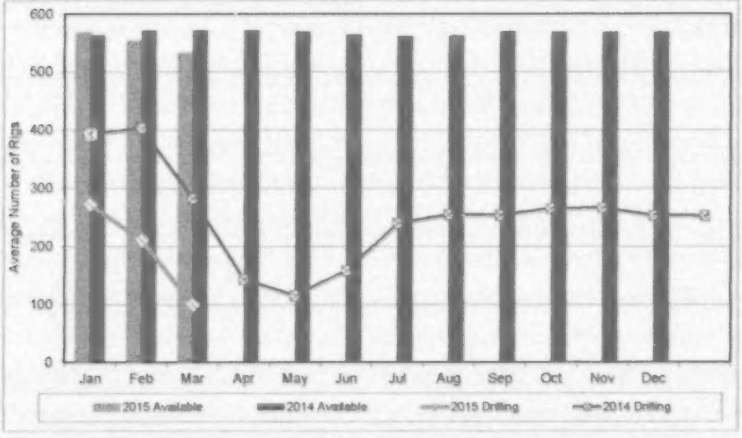
Thus far in 2015, average crown land prices were $229.40 per hectare, down from 2014 when the average crown price was $456.07 per hectare. Total revenue for the first quarter was $121.5 million, down 10% from last year total of $135 million.

Petroleum and Natural Gas Rights	Mar-15	Mar-14	YTD 2015	YTD 2014
Bonuses	$36,591,395.68	$85,986,814.29	$100,243,364.49	$133,509,310.49
Hectares	189079.61	105055.48	505424.11	287195.40
Average Price per Hectare (Cdn$)	$193.52	$818.49	$198.34	$464.87

Oil Sands Rights	Mar-15	Mar-14	YTD 2015	YTD 2014
Bonuses	$21,112,052.48	$536,048.64	$21,251,100.16	$1,820,282.88
Hectares	20544.00	2304.00	24192.00	9536.00
Average Price per Hectare (Cdn$)	$1,027.65	$232.66	$878.44	$190.89

Source: Alberta Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2015 Available
2014 Available
2015 Drilling
2014 Drilling

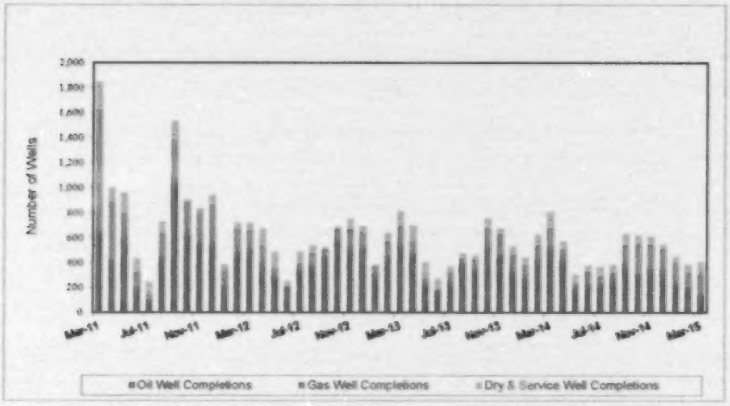
An average of 99 rigs were at work this March, down 65% from last March's 282 working rigs. The size of the rig fleet has decreased from 571 in March 2014 to 533 in March 2015.

Fleet utilization for the first three months of 2015 was 35%, compared to 63% for this period in 2014. The average size of the fleet for the first three months in 2014 was 568 compared to 552 rigs this year.

March	Drilling	Down	Available	Rig Util. Mar-15	Rig Util. Mar-14
Alberta	99	434	533	19%	49%
Saskatchewan	19	110	129	15%	35%
British Columbia	43	38	81	53%	78%
Northwest Territories					10%
Manitoba	3	16	19	16%	28%
Canada	165	599	764	22%	49%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Operators completed 407 wells in March, down 50% from the 812 wells completed in March 2014.

Well completions from January-March totalled 1,246, including, 580 oil completions (down 53% from 1,227 a year ago), and 466 gas completions (up 19% from 390 last year).

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245	257	389	314	354	348	3,980
	Gas Wells	105	119	166	94	54	94	52	63	154	239	197	161	1,498
	Dry & Service	57	80	126	62	63	45	70	69	85	65	62	42	826
2015	Oil Wells	239	194	147										580
	Gas Wells	166	134	166										466
	Dry & Service	46	60	94										200

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com